

Announcement

INITIAL AGREEMENT FOR THE GRADUAL ACQUISITION OF S&B's GREEK BAUXITE OPERATIONS BY ALUMINIUM S.A.

8 November 2011 – MYTILINEOS Holdings S.A. and S&B Industrial Minerals S.A. ("S&B") announce the initial agreement for the gradual acquisition of S&B's bauxite operations in Greece by MYTILINEOS' fully owned subsidiary ALUMINIUM S.A.

The steps foreseen for the implementation of this agreement are as follows:

1. Initially, S&B's bauxite activity will be contributed to Delphi Distomon ("D.D"), a fully-owned subsidiary of ALUMINIUM S.A.
2. In the resulting corporate structure ("New D.D."), ALUMINIUM S.A. will buy part of S&B's share so that its participation in the "New D.D." reaches 51%, leading in parallel to its control of the "New D.D."
3. The remaining 49% share held by S&B in "New D.D." will be acquired gradually by ALUMINIUM S.A. over the next thirty (30) months.

The finalization of the financial terms and implementation of the agreement will be effected after a Due Diligence entailing financial, legal, tax and technical audits of the merging parties. Further information to the investment community, will follow after the completion of the Due Diligence.

Commenting on the initial agreement, Evangelos Mytilineos, CEO of MYTILINEOS Holdings, stated: *"Today is an important day for our company, as after 50 years of operation in Greece, ALUMINIUM, upon completion of the deal, will itself be in control of its primary raw material, something it had not managed to do until now. We look forward to further developing the mines and to increasing exports, working together with our employees and with the local communities and always having as our goal to protect of the environment. Our investment in mines is a long-term yield investment. With this deal, ALUMINIUM,*

which since 2005 is of Greek ownership, is investing in the future of the Greek Economy, demonstrating in this way its firm belief in the country's potential."

Kriton Anavlavis, CEO of S&B, commented: *"Despite the difficulties faced in our Fokis bauxite activity in recent years, we invested significantly and attained an increase of operational capability and annual production output. As the activity's financials are recovering, we are in a position to announce the signing of an initial agreement which assures its sustainable future. Our bauxite activity, which represents approximately 8% of Group sales, is therefore contributed to a new corporate structure, in which the majority participation belongs to its largest customer to date. We are convinced that the new structure will further contribute to the long term development of Greek bauxite, benefitting sector employees and the Greek economy. S&B will continue to focus on providing industrial solutions globally, exploiting its international operations, aiming at additional sustainable, profitable growth."*

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About MYTILINEOS

MYTILINEOS Group is a leading Greek industry active in Metallurgy & Mines, Energy and EPC Projects. Established in Greece in 1990, the Group's holding company, MYTILINEOS HOLDINGS S.A., is listed on the Athens Exchange, has a consolidated turnover in excess of €1 billion and employs some 2,500 people directly and many more indirectly in Greece and abroad. For more details, please visit the Group's website at: www.mytilineos.gr.

About S&B Industrial Minerals

S&B Industrial Minerals is an international Group of companies, its purpose being to provide innovative industrial solutions by developing and transforming natural resources into value creating products. Utilizing the multiple properties of industrial minerals, S&B offers a portfolio of customized solutions for a broad range of applications (including foundry, steel-making, construction & building materials, metallurgy and horticulture), operating responsibly and adhering to the sustainable development principles of the triangle: economy – society – environment. It holds leading positions in its main sectors (bentonite, perlite, bauxite and casting fluxes). S&B was established in Greece in 1934, is listed on the Athens Exchange (ticker:ARBA), is active in 20 countries across five continents, in 2010 it had a Group turnover of €420 million, and employs approximately 2,000 people worldwide. For more information, please visit S&B's website at www.sandb.com